

Please title comments responsive to this Notice as Comments or Reply Comments NBP Public Notice # 12. The FCC has failed to ask the basic question --- How many times are we going to pay for broadband to schools, libraries, etc. It cost NOTHING to do this wiring as the phone companies already got paid the money to build out these facilities -- but never built the networks. To see the footnotes, etc, see our free ebook download \$ 200 Billion Broadband Scandal: <http://www.newnetworks.com/broadbandscandals.htm> which was filed as part of other broadband comments. Let's start with Pac Bell's 100 million dollar plan to wire the schools circa 1993-1996 ISDN --- which they got paid to do through various types of deregulation. "Pacific Bell will spend \$ 100 million during the next three years to hook up more than 7,400 schools, community colleges and libraries to computer and video networks, the company announced yesterday. ---By the year 2000, phone company officials predicted, every classroom will be wired to handle voice, data and video telecommunications. ". "install four digital lines, called ISDN, free in every public school, community college and public library in its service areas by end of 1996. Costs of installation and one year's usage would be waived. "Wire two rooms at each school and library for computers and video-conferencing and donate \$ 5 million in seed money for wiring all classrooms. " Keep going. In Ohio, every school, library, hospital and government agency was to have fiber-based broadband --- Again, customers paid for it through deregulation. Ohio alternative regulation plan, September 20, 1994: "21. INFRASTRUCTURE COMMITMENTS The Company's infrastructure commitment in this Plan shall consist of the commitment to deploy, within five years of the effective date of the Plan and within the Company's existing service territory, broadband two-way fully interactive high quality distance learning capabilities to all state chartered high schools including vocational, technical schools, colleges and universities - deploy broadband facilities to all hospitals, libraries, county jails and state, county and federal court buildings. " Or take Texas -- It's 1995 Alternative Regulations required the company spend over a billion to have 45mbps in both directions given to any school, library, hospital, etc. --- INFRASTRUCTURE COMMITMENT TO CERTAIN ENTITIES. It is the intent of this section to establish a telecommunications infrastructure that interconnects public entities described in this section. The interconnection of these entities requires ubiquitous, broadband, digital services for voice, video, and data within the local serving area. On customer request, the electing company shall provide broadband digital service that is capable of providing transmission speeds of up to 45 megabits per second or better for customer applications and other customized or packaged network services (private network services) to an entity described in this section for their private and sole use except as provided in educational institutions,. Libraries, nonprofit telemedicine centers of academic health centers, public or not-for-profit hospitals, or -licensed health care practitioners, public or not-for-profit hospitals, projects funded by the Telecommunications Infrastructure Fund described in this Act. And All customer should have had the upgraded switching --- Last month we joined with other members of the Texas Telephone association in making a major infrastructure announcement. In return for the change from profit to price regulation, we have committed to a four year program to invest up to \$ 1. 5 billion in Texas. Our portion will be \$ 1. 1 billion. Thats money over and above our normal capital program. These would be funds earmarked for bringing digital switches to all our

customers. And fiber optic technology would be brought to Texas classrooms, libraries and hospitals. If everyone is wired, why are we doing it again and paying for it? --- Oh, I forgot -- Kushnick's Law --- 'A regulated company will always renege on promises to provide public benefits tomorrow in exchange for regulatory and financial benefits today. ' It predicts that nothing would get done, billions collected but not spent on the networks --- ah. While each state is different, there's been many states that ALL of the schools, libraries, etc should already have been wired because of the Universal Services funds, state funds, the alternative regulation plans, the previous ISDN plans, not to mention the addition of new taxes. Take the ---"California Advanced Services Fund On December 20, 2007, the CPUC approved a decision that established the California Advanced Services Fund (CASF) and revised the California High Cost Fund-B (CHCF-B) surcharge rate, which was modified in a previous decision to 0. 50%. ---Beginning January 1, 2008, the 0. 50% surcharge revenues collected from the CHCF-B will now be allocated one-half to the CASF and one-half to the CHCF-B. This effectively makes the surcharge rate for these two funds equal to 0. 25%. ---Carriers will continue to remit CHCF-B revenues through the normal monthly remittance process at the surcharge rate of 0. 25%. --- <http://www.cpuc.ca.gov/PUC/Telco/Information+for+providing+service/announcingcasf.htm> This is a tax on all customers for broadband services -- not the phone companies, who can pass it through to the customer --- that should have already been deployed, should have already been paid for, maybe 2 or three times, but who's counting. In fact by 2000, almost a decade ago, 5. 5 million homes should have been rewired with 45mbps broadband, never got built though the companies got billions in extra charges -- which we documented. The idea that no one is actually tracking any of this and we need yet more plans to rewire schools et al, is, well. one outcome of Kushnick's law --- taxation and deregulation without proper representation. is the state of affairs. We're 15th in the world in broadband because of the total failure to actually enforce commitments. We just filed the above as comments with the FCC --- I place bets they never get back to us. If the FCC and states held these companies accountable, we don't need new taxes or funding from non-profits - we just need them to reallocate the funds to actually building out the infrastructure and not use the money to, say, increase executive pay or invest in other non-infrastructure items, including overseas investments, etc. Bruce Kushnick, New Networks Institute. <http://www.newnetworks.com>